



# OUR PLAN

## FOR THE FUTURE 2004-2008

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Discover the best of the UK's waterside with [waterscape.com](http://waterscape.com)

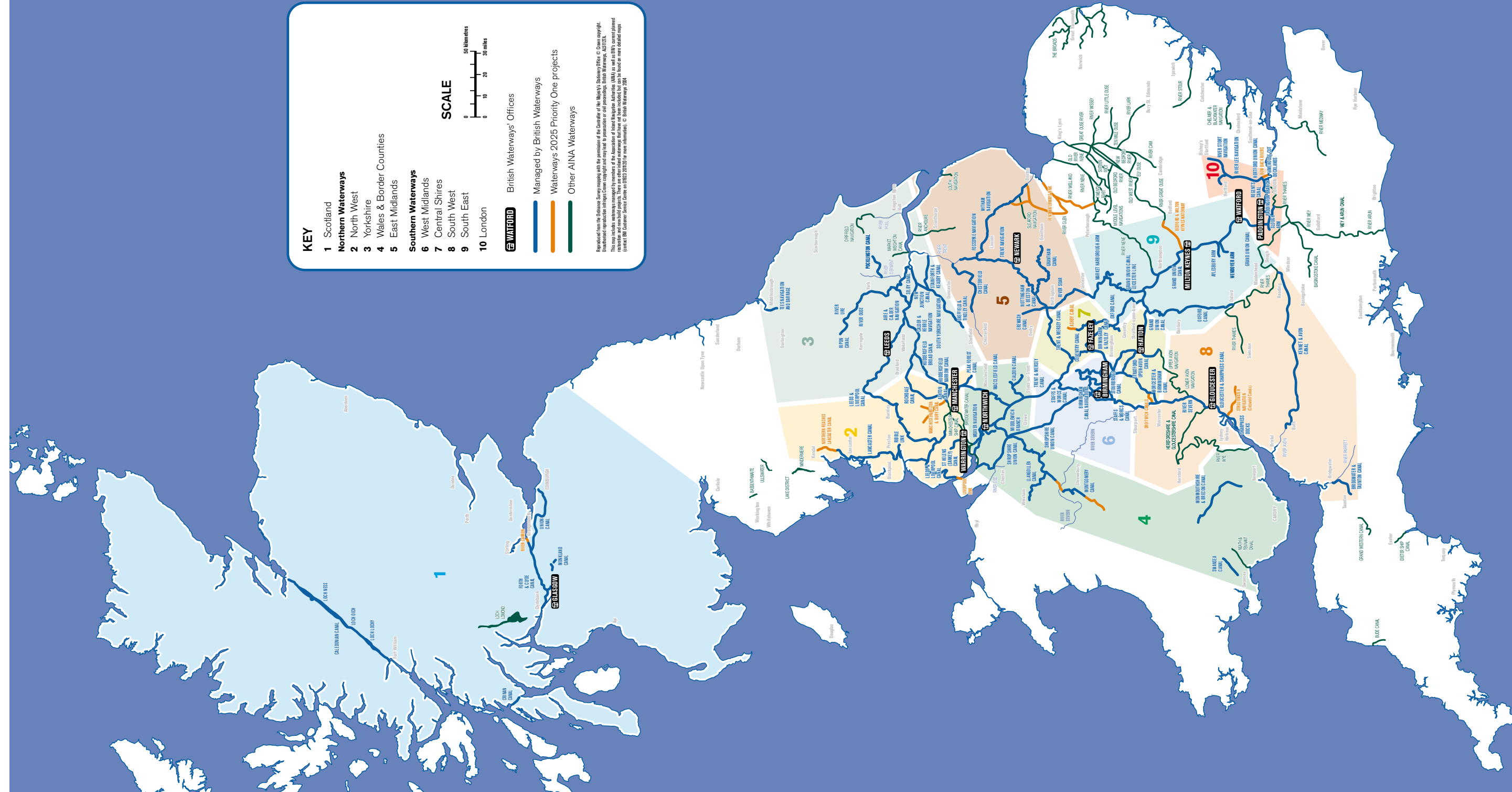
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# British Waterways

# WATERWAY MAP



# CONTENTS

|                                                               |           |                                                     |           |                                |           |
|---------------------------------------------------------------|-----------|-----------------------------------------------------|-----------|--------------------------------|-----------|
| <b>Preface</b>                                                | <b>2</b>  | <b>Maintaining and Caring for the Waterways</b>     | <b>12</b> | <b>Developing Our Business</b> | <b>20</b> |
| <b>Introduction</b>                                           | <b>3</b>  | Overview                                            | 12        | Leisure                        | 21        |
| <b>About British Waterways</b>                                | <b>5</b>  | Meeting Customer Needs                              | 12        | Property                       | 24        |
| <b>Overview of Our Strategy and Plans</b>                     | <b>6</b>  | Environment and Heritage Regulation and Other Costs | 13        | Water                          | 25        |
| Our Vision                                                    | 6         | <b>Safety Management</b>                            | <b>14</b> | Wayleaves and Premiums         | 26        |
| Our Strategy                                                  | 6         | Occupational Safety                                 | 14        | Freight                        | 27        |
| Our Principles                                                | 6         | Customer Safety                                     | 14        | Restoration                    | 28        |
| Our Wider Objectives                                          | 6         | Asset Management                                    | 14        | <b>Board Members</b>           | <b>30</b> |
| Key Targets                                                   | 6         | Preventative Maintenance                            | 15        | <b>Directors</b>               | <b>31</b> |
| Our Values                                                    | 7         | Waterway Standards                                  | 15        | <b>Addresses and Contacts</b>  | <b>32</b> |
| Working in Partnership                                        | 7         | <b>Planned and Completed Waterway Improvements</b>  | <b>16</b> | <b>Waterway Map</b>            | <b>33</b> |
| Improving Openness and Accountability                         | 8         | <b>Developing our People and Processes</b>          | <b>17</b> |                                |           |
| <b>Our Corporate Social Responsibility</b>                    | <b>10</b> | A People Business                                   | 17        |                                |           |
| Wider Objectives and Our Corporate Social Responsibility      | 10        | Feedback from Our People                            | 18        |                                |           |
| Developing Indicators for Our Corporate Social Responsibility | 10        | Business Processes and Systems                      | 19        |                                |           |

Caledonian Canal, Scotland





**Alun Michael, Waterways Minister,  
Minister of State, Defra**

The impression I have gained during canal visits this year and at the inland waterways attraction at this year's London International Boat Show is one of hard work and dedication by British Waterways and all the organisations involved. The large number of visitors to the Boat Show confirmed my belief that the inland waterways offer unrivalled opportunities for leisure and recreation and I am delighted to say that British Waterways is working enthusiastically to exploit their potential.

In this document, British Waterways sets out its plans to achieve its vision of expanding the use of its waterways to a wide cross section of society. This is an essential part of the British Waterways strategy to deliver social, economic, environmental and heritage benefits to all.

British Waterways also outlines ambitious plans to increase its efficiency by reducing its fixed costs and overheads. It shows how it will work in partnership with the private and voluntary sectors to develop its businesses, securing more revenue streams to enable it to become more self-sufficient and so help to ensure a sustainable future for the waterways.

I have always been impressed by British Waterways' dedication and professionalism and I know that they will continue to work to achieve the demanding targets set out in this plan while striving to provide value for money.

I wish them every success.



**Nicol Stephen, Minister for Transport,  
Scottish Executive**

In recent years, we have reversed decades of neglect and revitalised Scotland's canals. The Falkirk Wheel and the creation of the Edinburgh and Glasgow Millennium Link are two examples of what can be achieved. The benefits for tourism and the local economy are enormous.

The restoration and regeneration of Scotland's canals is creating a first class leisure resource with improved access to all of Scotland's major canals. Whether it's on foot, by cycle or by boat, more and more people are discovering that canals are the perfect way of exploring Scotland.

Scottish Executive funding of Scotland's canals now stands at a record level of over £10 million per year. British Waterways is doing tremendous work with both this funding and the other resources available to them. I have seen the careful restoration work they have carried out on the Caledonian Canal, and know that these historic assets are in safe hands. British Waterways also has an impressive record in building partnerships with the private sector in Scotland - delivering income generating projects that remain sympathetic to the canal environment. As a result Scotland is gaining a vibrant canal network that will contribute to local economies for years to come.

Our first policy document, Scotland's Canals - An Asset for the Future, clearly demonstrates the importance we attach to maximising the opportunities that Scotland's canal corridor offers. I am looking forward to working with British Waterways and its partner organisations to ensure that the momentum for developing Scotland's canals is maintained.



**Andrew Davies, Minister for the Department of  
Economic Development and Transport,  
Welsh Assembly Government**

The Welsh Assembly Government recognises that waterways are a tremendous asset for us in Wales, which impacts not only on many of our government policies and activities but also on a wide range of other bodies in Wales. The Waterways for Wales consultation in 2003 was a significant step forward in raising awareness of the opportunities and benefits offered by the waterways of Wales for a better quality of life, environmental gain and economic development.

It also provided a catalyst to bring partners together from all areas and sectors of Wales to consider the future in a more focused way. The responses to the consultation were positive and encouraging. Effective partnerships here are already delivering world-leading restoration and environmental care projects that are also generating new economic activity.

The Welsh Assembly Government would like to see continued progress made by working together. I announced in March to the Assembly All Party Group on Waterways that the Assembly Government will be playing its part in the delivery of British Waterways and their partners' plans for future developments in Wales by hosting a working group to take forward waterway development and restoration projects.

# INTRODUCTION

## George Greener, Chairman

The Board has carried out its annual review of strategy. The review confirmed that our recently adopted vision (page 6) for growth and a sustainable future for the waterways remains unchanged. I am pleased that our review, in particular, endorsed our enhanced approach to safety management (page 14) and our new approach to accountability (page 8). We have begun the challenging process of delivering our vision, and we remain determined to achieve it.

I said last year that our plan for the future of our waterways was demanding. 2003/04 has proved that statement right. We have made substantial progress. Our efforts, together with those of our many partners, have set us on the course of sustainable growth that this plan requires. It's a very positive story but we should not forget the extent to which the implementation of big changes creates uncertainty for our people and how much we appreciate their enthusiasm and commitment.

We rightly pay tribute to our partners and we would achieve very little without them. While we have had to manage the consequences of a rather sudden and unplanned cut in grant from Westminster we take great heart from the government's general support, help and enthusiasm and this plan assumes the restoration of funds next year.



Our Plan for the Future is a carefully controlled approach to a sustainable future. We all need to understand that the early years of the Plan depend on us achieving the major level of governments' funding as an important part of our income. Governments are making planned investments now to reduce the burden to the taxpayer later, while enabling British Waterways to implement their policies and achieve the vision for the waterways.

I would like to thank our stakeholders for their contributions to the formulation of this plan. The feedback at our National User Group was very useful, leading us, for instance, to enhance our published plans for increasing the numbers of boaters during the plan period (page 21). British Waterways is setting up improved arrangements for listening to and responding to customers as a result of our Openness & Accountability consultation. I am confident therefore that the waterways will benefit even more from input from our stakeholders' input in the future.

I look forward to what I know will be another demanding year. That is how it should be in a business that is growing and intent on securing a sustainable future.

## Robin Evans, Chief Executive

This past year provided many challenges for British Waterways, not least the reorganisation of our structure that I implemented to provide improved focus and direction. I am now confident that we have the structure needed to deliver this plan and in turn achieve our vision.

Over the next five years I want us to deliver a marked improvement in our customer service and operational efficiency. These are essential foundations for future growth. At the same time we shall be investing our limited resources where they will generate long-term benefit to customers and the network.

Our vision as stated on page 6 is unaltered. British Waterways will become increasingly customer and leisure focused as it moves towards greater self-sufficiency. None of this will be easy and we shall need all of our people, whatever their skill or role, to be innovative and not risk averse. Sustainability, customer service and value for money must be at the forefront of all that we do whilst ensuring our waterways and workplaces are as safe as they can possibly be for our visitors and workforce.



British Waterways in its day to day activities, and increasingly through its ventures, makes a significant and valuable contribution to society. Throughout the plan period, developing and improving this public benefit will go hand in hand with the development and growth of British Waterways. Only by safeguarding our environment and heritage, engaging with local communities and making the network attractive and accessible to everyone will we double the number of visitors and create the wealth we need for long-term financial security.

Another equally important ingredient to this five-year plan is the contribution from our partners. I want to thank each and every person and organisation who we work with for their support and for the contribution they will make to delivering this plan. Together we will ensure that our waterways will be increasingly regarded as one of the nation's most important and valued assets.



## ABOUT BRITISH WATERWAYS

British Waterways (BW) is a public corporation, a company owned by the people of this country, on whose behalf we manage and care for more than 2,000 miles of canals and rivers in England, Scotland and Wales.

As well as being governed by the normal accounting, employment, environmental, planning and safety legislation that affects any modern organisation, we are specifically governed by the Transport Acts of 1962 and 1968 as well as many of the original canal enabling Acts.

Our sponsoring government departments are the Department for Environment, Food and Rural Affairs in England and Wales and, in Scotland, the Enterprise, Transport and Lifelong Learning Department. We also liaise closely with the Department for Economic Development and Transport in Wales and Regional Assemblies.

A map of our waterway network can be found in the inside back cover of this document.

### Our Relationship with Governments

The Westminster government sets out its objectives for us in the published *Framework Document for British Waterways* (DETR, 1999). Our aims, as explained in the *Framework Document*, can be summarised as follows:

- maintain and develop our inland waterways in a sustainable manner, so that they fulfil their full economic, social and environmental potential

- fulfil our statutory navigation functions
- conserve our waterway heritage and environment
- promote and enable rural and urban regeneration
- maintain and enhance leisure, recreation, tourism and educational opportunities for the general public
- facilitate waterway transport
- play a lead role in co-ordinating other UK navigation authorities
- act commercially

*Waterways for Tomorrow*, the Westminster government's policy document for inland waterways in England and Wales, sets out the context in which this Plan has been developed.

In summary the government:

- sees the inland waterways as 'an important asset for future generations to enjoy'
- wants to see waterways 'maintained and developed in a sustainable way so that they fulfil their social, economic and environmental potential'
- wants to ensure that 'the many benefits and opportunities they provide are used to the full'

(*Waterways for Tomorrow*, p16, published 2000).

It describes British Waterways as:

'A public corporation which runs its affairs on a commercial basis consistent with its statutory powers and obligations for navigation and the environment and its objectives agreed by the government. It is expected to promote the use of its waterways for leisure and recreation, tourism, regeneration, and transport while also conserving their built and natural heritage.'

In 2002 the Scottish Executive published *Scotland's Canals – An Asset for the Future*, the first ever policy document for Scotland's canals.

The Scottish Executive believes that our canals are an asset that, if used wisely, can enhance the future quality of life in Scotland.

Their strategy to achieve this is based on four main principles:

- increasing awareness of canals in general and encouraging more private sector investment
- encouraging all public bodies sponsored by the Executive and local authorities to continue to work together and support the sustainable development and regeneration of canals and their surrounding areas

- promoting voluntary sector and community involvement in canals, with particular regard to their educational value and their positive impact on quality of life
- promoting the need for other public policy decisions to take account of the sustainable development and regeneration aims for our canals

British Waterways will continue to receive Scottish Executive grant to meet its statutory duties and help progress new initiatives, but are encouraged to develop new and existing earned income streams.

In 2003 we produced the consultation document, *Waterways for Wales*, at the request of the Welsh Assembly Government. *Waterways for Wales* places inland waterways in a strategic context and sets out the positive contribution they can make to the future of Wales.

We use all of these documents to guide us in our business planning.

# OVERVIEW OF OUR STRATEGY AND PLANS

## Our Vision

Our ambition is that by 2012 we will have created an expanded, vibrant, largely self-sufficient waterway network used by twice as many people as in 2002. It will be regarded as one of the nation's most important and valued national assets. Visitors will be delighted with the quality of the experience and as a consequence many will become active participants.

## Our Strategy

We will use our ability to blend best commercial practice with public sector values to earn and increase the income available to conserve and enhance the waterways, thus maximising public benefit from public assets.

## Our Principles

We believe that we should develop our business sustainably and in a way that ensures decisions we make today do not unduly limit and, if possible, enhance the range of social, economic,

environment & heritage options available in the future. We aim to take strategic and balanced decisions, guided by the following principles:

- sustainable economic growth and employment
- partnership
- effective conservation of environment and heritage
- financial and employee sustainability
- social progress for the benefit of all

While being guided by these principles we need to remember that keeping them in balance is an overriding principle in itself.

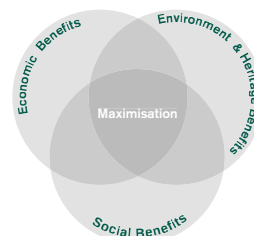
## Our Wider Objectives

We are faced with an extraordinary array of often conflicting expectations, demands and

requirements. We pride ourselves in converting conflicting pressures from being potentially harmful to uniquely positive to the future of the waterways. Our approach seeks to balance what might seem to be conflicting priorities in very complex situations. The diagram, below left, illustrates the way in which waterways can

maximise benefits to society when the correct balance is achieved.

In our 'Our Corporate Social Responsibility' section (page 10) we have identified lead indicators so that we can monitor our effectiveness at delivering social, economic and environment & heritage benefits.



## Key Targets

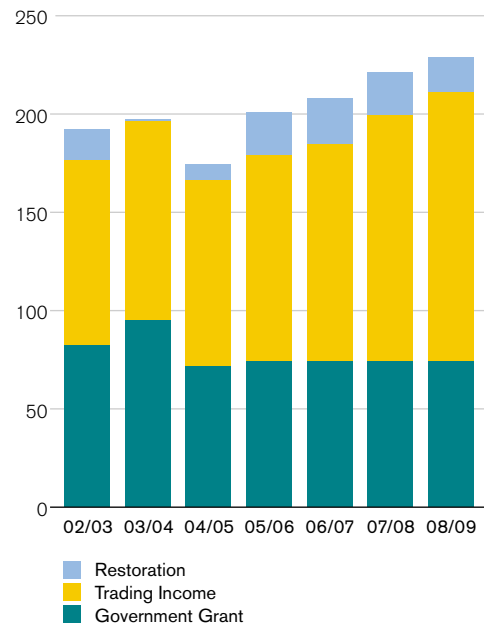
We have set ourselves targets throughout this Plan, with the following being particularly important:

- earn the income needed to sustain the long-term future of our waterways
- maximise value from the money spent
- conserve and enhance the waterways' environment and heritage
- provide a safe waterway network by eliminating our arrears of statutory maintenance by the end of 2012
- ensure planned waterway standards and other customer service standards are met
- encourage the maximum usage of our waterways by the widest possible range of people
- deliver the objectives as set out in *Waterways for Tomorrow, Scotland's Canals - an Asset for the Future* and *Waterways for Wales*
- persuade government of the benefits of a formal contractual relationship and greater commercial freedoms to release the full economic potential of the waterways
- recruit, retain and develop the number of top quality people we need to grow our business

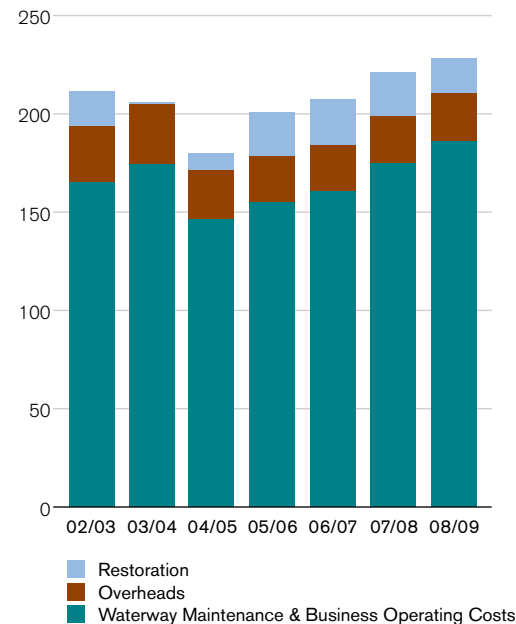
Regent's Canal, London



**Income £m**



**Expenditure £m**



### Our Values

Our outputs will be:

- safe
- sustainable
- local
- contemporary
- quality

We will achieve these by:

- behaving with integrity
- being innovative
- being commercial
- being expert
- being bold (risk aware)
- focusing on delivery

### Working in Partnership

The best way to achieve success is by working in partnership with people and organisations with common aims. We will continue to develop partnerships with a range of voluntary, public and private partners.

### Partnership with the Private Sector

Where appropriate we will set up public private partnerships (PPPs) with the private sector to enable us to capitalise on our expertise and assets. We have successfully done this in the areas of property development, telecoms and water sales. During 2004 we hope to find a partner with whom we can develop a waterside pub partnership. We also partner with private sector suppliers, for instance localised contracts with AWG, Dew, GallifordTry and Nuttalls enable us to optimise our maintenance work, giving us value for money and faster deployment of resources.

Middlewich, Trent & Mersey Canal



## OVERVIEW OF OUR STRATEGY AND PLANS

### Government Partnerships

Defra, the Scottish Executive and the Welsh Assembly all recognise and promote the wider role of the waterways, ie beyond navigation and maintenance. We believe that we can draw up more formal funding agreements with these bodies allowing us to deliver even more specific benefits. These could follow the lines of our contractual agreements with other major funders, such as the Lottery Boards, Regional Development Agencies and local authorities. We also believe that government can help us find new methods that will allow us the freedom necessary to release the full commercial potential of the waterways.

Many of our activities contribute to Defra's core objectives. Through our commitment to sustainable development and involvement in areas such as conservation, biodiversity, rural regeneration, recreation, water supply and maintaining a safe infrastructure we are helping deliver Defra's objectives.

### Partnership with the Voluntary Sector

We work with the voluntary sector on a range of projects and value the insight we gain from these partnerships. Much of our day to day work (from hedge-laying to organising festivals) is done with the help of volunteers.

Organisations such as the Waterways Recovery Group and canal societies and trusts continue to play a valuable role in waterway restoration. We will continue to work with them to move forward our planned restoration schemes. Where appropriate we plan to work with volunteers on a local level to deliver many of our projects. We continue to have a contractual relationship with The Waterways Trust to care for and exhibit our artefacts in their museums and to raise money for waterway projects.

### Improving Openness and Accountability

The Freedom of Information Act 2000 applies to British Waterways, and in accordance with the Act we publish many of our documents, including our board minutes, on our website, [britishwaterways.co.uk](http://britishwaterways.co.uk). We have produced a publication scheme that sets out the classes of information that we will publish, the manner in which we will publish them and whether the information is freely available or at a charge. We may withhold information if we consider it to be confidential or commercially sensitive, and will take into account the Freedom of Information Act, the Environmental Information Regulations and public interest when making this decision. When information is withheld we will explain why we have done so.

In 2003 we consulted with user groups, canal societies, trusts, local authorities and other bodies with a direct interest in our management of the waterways network on areas such as complaints, the Waterways Ombudsman Scheme, and the general principles of dialogue and consultation. We published a proposed package of measures by which we aim to improve our openness and accountability.

We are now implementing these measures to improve the way we communicate and consult with our stakeholders. We believe this will greatly improve our general openness and accountability.

The changes will mean:

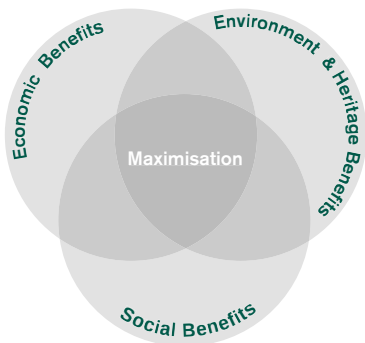
- having a more streamlined and responsive internal complaints procedure that takes full advantage of the flatter management structure recently introduced
- having a re-constituted and updated Waterways Ombudsman Scheme that is transparently independent from us
- setting up a new national consultative framework that is representative of all significant groups and bodies that have an interest in the waterways. This will include arrangements for elected committee(s) to have direct access to our Board and senior management
- adopting improved procedures for direct consultation that include following the Cabinet Office Code of Practice on Written Consultations for all national written consultations



# OUR CORPORATE SOCIAL RESPONSIBILITY

## Wider Objectives and Our Corporate Social Responsibility

Our statutory responsibilities extend beyond those of a navigation authority maintaining the waterway infrastructure. Providing social, economic and environment & heritage benefits



is an essential outcome of our work and we take an integrated approach to such issues. As the diagram below left shows we try to maximise the benefits that the waterways can bring (see page 6, Our Wider Objectives).

## Developing Indicators for Our Corporate Social Responsibility

We have analysed our five business areas and the way in which they interact with the three sustainable development themes. For each theme we use many measures to assess ourselves, but for reporting purposes we selected lead indicators so that our contribution can be assessed in the future. We have set out last year's outputs in the table on page 11. We have linked these indicators to our Social and

Environment & Heritage campaigns listed right. We have a continuous process of assessing these. We may find indicators that better promote sustainable development in the future, in which case we will put forward new lead indicators.

## Economic

The income we generate for reinvestment in the waterways is a proper measure of economic benefit, as all the income we earn is spent on the waterways. Our business plans are a good indicator of our achievements in this area. You can see our plans for the future on pages 20–29.

## Social

Being responsive to local communities is one of our most important values as it enables us to shape our day to day activities to deliver maximum public benefit. However, this relationship with local communities can create significant demands for increased resource and involvement.

We therefore prioritise, and during this Plan period will focus on:

- 1 Access for All – we will increase visitor numbers, including ethnic and disadvantaged groups, through local projects and campaigns and when undertaking waterway improvements we will endeavour to meet all people's access needs.

A WOW activity at the Gloucester on Water event



- ② Community Relations – we listen to local communities and through our work look at how we can help them fulfil their aspirations. We also try to counter vandalism and anti-social behaviour through strengthening community relations and education so that our waterways become more valued.
- ③ Education – (through Wild Over Waterways-WOW). This is an educational resource aimed at the under 16s and includes teacher information packs, resources for school visits, events and an interactive website, wow4water.net. We will also work with agencies to find effective solutions for the small group of children who cause problems through anti-social behaviour.

Individual waterway units will prioritise their activity within this context and their success will be assessed by an annual review of their business plans.

### Environment & Heritage

We are fortunate to own many listed structures and Sites of Special Scientific Interest (SSSIs). We are working more closely with English Heritage and English Nature to ensure we adopt best practice in our management of these important assets. With sustainable development in mind we now use FSC (Forest Stewardship Council) approved timber where we can, have targets for the use of recycled aggregates and every major engineering project undergoes a sustainability review.

We also use a variety of methods to help us deliver consistent environmental and heritage benefits, including Biodiversity Action Plans, our Environmental Code of Practice and Heritage Action Plans.

In 2004/05 we will continue to work on two existing campaigns that will benefit the environment and people's quality of life. We will:

- ④ reduce dog fouling on towpaths, as this is one of our main customer complaints. In areas assessed as bad we aim to reduce dog fouling by 40% on 2003 levels in 2005, and by 60% in 2006, by installing new dog bins and raising awareness amongst dog walkers.

- ⑤ reduce energy consumption in our offices and achieve greater energy efficiency in our operational activities, working with the Carbon Trust. By the end of 2004 we will complete an audit to establish a benchmark for energy consumption, and aim to achieve a 5% reduction in energy consumption by 2005. We also intend to reduce company car mileage by 0.6 million miles by 2008/09.

We have numbered each of our campaigns ① - ⑤ so that there is a clear link between them and our indicators shown in the table below.

### Sustainable Development Themes

| Business Areas                             | Social                                                                    | 2003/04                                                                                                     | Indicators 2004-2008                                                                       | Environment & Heritage                                                                                                                                             | 2003/04                    | Indicators 2004-2008              | Economic                          |
|--------------------------------------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------------|-----------------------------------|
| Leisure                                    | Number of visitors<br><br>'Excellent' visitor satisfaction levels ① ② ③ ④ | An average of 3.2 million adult visitors per 2 week period*<br><br>Boat owners 9%**<br>Towpath users 42%*** | To double this figure by 2012<br><br>By 2008:<br>Boat owners 15%**<br>Towpath users 66%*** | Number of interpretation schemes completed. These schemes include live performances, oral history, interactive display boards, trails and interpretative maps. ② ③ | 13                         | 100 (cumulative)                  | See our business plans on p.21-23 |
| Property                                   | Total affordable housing units planned ②                                  | 710                                                                                                         | 1385 (cumulative)                                                                          | Reducing number of our buildings on the English Heritage and Local Authority 'at risk' register                                                                    | 118 buildings on registers | 27 buildings on registers by 2008 | See our business plans on p.24    |
| Core Waterway                              | Improved appreciation through changed attitudes ① ② ③ ④                   | 64****                                                                                                      | >64**** by 2008                                                                            | Reduced CO <sub>2</sub> emissions from employee vehicles by reducing business mileage ⑤                                                                            | 6.6 million miles pa       | 6 million miles pa by 2008        | See our business plans on p.25-27 |
| Restoration                                | Miles of newly accessible waterways corridor ① ②                          | 25.3 miles                                                                                                  | 120 miles (cumulative)                                                                     | Miles of historic waterways restored ① ②                                                                                                                           | 4 miles                    | 10 miles (cumulative)             | See our business plans on p.28-29 |
| Ventures (ISIS, Watergrid, waterscape.com) | Hits on the waterscape.com website ① ② ③                                  | 2.8 million hits                                                                                            | 50 million hits (cumulative)                                                               | % of ISIS projects meeting sustainable development criteria ① ② ③                                                                                                  | 100%                       | 100%                              | See our business plans on p.21-25 |

\* In Aug 03 we commissioned a new long-term survey to get a clear idea of the number and type of waterway visits. Data so far suggests that there are an estimated average of 3.2 million adults visiting our waterways over a two week period during the year, generating around 400 million visits over the whole year. Page 21 contains a breakdown of the visit type.

\*\* Percentage of boat owners that rate the overall upkeep of the waterways as excellent (68% rate them as good or excellent)

\*\*\* Percentage of towpaths users that rate the overall enjoyment of the waterways as excellent (91% rate them as good or excellent)

\*\*\*\* We have a telephone tracking survey which traces movements in public perception of the value of

canals and rivers compared with other nationally important assets. Currently, the seaside is rated at the top of the scale at 100, followed by parks & gardens at 90, woods & forests at 86, historic houses, castles & other monuments at 78, zoos, wildlife parks & farms also at 78 and museums & galleries at 73. Valued at 64, canals & rivers are starting at the bottom of the list of those surveyed. Our vision is that

by 2012 inland waterways will be regarded as one of the nation's most important and valued national assets (see page 6), so we know we have some way to go! We relish this challenge, and with the help of the millions of people who enjoy the waterways are confident that our position will improve.

## MAINTAINING AND CARING FOR THE WATERWAYS

### Overview

The reliability and security of the waterway network underpins all our activities. We have a thorough asset management programme in place, which has been extended to include all buildings as well as engineering structures and other infrastructure. Confidence in the waterways is important for the safety of the public and for navigation. It also enhances our ability to attract business partners for urban and rural regeneration projects as well as new

business developments such as those we plan in leisure, water sales and property. This Plan sets out how we will ensure the structural security of the network within a time frame which is acceptable to our stakeholders.

### Meeting Customer Needs

Our increasing focus on customer service has led us to develop a market research programme to monitor the experiences of visitors. In August 2003 we put in place a new market research

framework to improve year on year consistency in the information we gather.

We will carry out:

- a fortnightly telephone tracking survey to monitor the total numbers and purpose of visits, the number of adult visitors during the previous two weeks, and the demographic profile of visitors
- annual surveys of private boaters, holiday boaters, towpath users and visitors to popular destinations

These surveys will enable us to measure ourselves against our vision that:

- by 2012 our waterway network will be used by twice as many people as in 2002
- it will be regarded as one of the nation's most important and valued national assets
- visitors will be delighted with the quality of the experience



The surveys will also enable us to identify if we are fulfilling our customers' expectations. We will track our performance in all of these areas over time and use these results to inform us where future improvements are needed.

Research this year has shown us that as well as expecting reliability and security, waterway customers require increasingly high standards of facilities and service. This is in line with trends in the leisure industry generally. We must meet

these demands if we are to compete successfully.

This Plan explains how we intend to increase our investments to meet those expectations and in 2004/05 we plan to invest about £5 million over and above our normal budgets for the benefit of our customers.

### **Environment and Heritage Regulation and Other Costs**

We will devote a great deal of resource into this part of our work. Protecting and enhancing the environment and heritage of our waterways is not only a core activity, it is an essential ingredient in achieving our vision. However there are increasing, but understandable demands being made on us through regulation. For example the Water Framework Directive, the Countryside and Rights of Way Act 2000 and

the Water Act 2003 have and will continue to increase the burden on our limited resources.

We are currently working with Defra and the Environment Agency to understand better the cost implications of this kind of change. We have also started to take account of the consequences of what appears to be long-term climate change. It is likely that as our understanding improves there will be implications for our costs in the future.

Kingfisher



## SAFETY MANAGEMENT

Safety management is integrated into our business planning and we manage it through:

- Occupational Safety – risks that our people and contractors are exposed to during their working day
- Customer Safety – inherent risks that our business and leisure customers face when using the waterways
- Asset Management – risks that the condition of our assets pose to neighbours, visitors and our people

The Technical Director is the nominated director for safety. Our Board reviews safety and risk regularly and receives an annual report on performance.

### Occupational Safety

We have reviewed our safety performance and believe there is scope for considerable improvement if we compare ourselves to the best in other industries. To give a clear

benchmark for measuring our performance, we will use the Construction Industry Safety Benchmark Data, produced annually by the Department of Trade & Industry. Our accident records put us in the second quartile of this benchmark and our target is to reach the upper quartile within three years. This will require reducing our reportable accidents from 40 to 10 per annum which is a very stretching but achievable target. The major contractors with whom we currently partner are already at this high level of performance.

To bring about the improvements in safety, we are embarking on a major safety transformation programme requiring considerable commitment and leadership by our directors and managers. This has already resulted in a much clearer Health and Safety Policy Statement defining our commitment to safety and our accountability for delivering safety performance. The full policy statement is available on [britishwaterways.co.uk/safetypolicy](http://britishwaterways.co.uk/safetypolicy).

We will have regular external audits to monitor improvements against well defined performance indicators.

The programme is complementary to our current initiatives on behavioural safety, competency assessment and training which are in place for all of our bank-side people. We work in partnership with the trades unions to make continuous improvements to employee safety. In selecting our contractors we take account of their proven safety performance.

### Customer Safety

Our strategy for ensuring acceptable levels of safety amongst waterway users is based on risk assessment and education. Education plays a major part in controlling these risks and we have campaigns targeted at:

- individual boaters and hireboat operators (Boaters' Handbook and Video, and User Guidance Documents on working on craft in dry docks and storage)

- boatbuilders, surveyors and examiners (Boat Safety Scheme)
- children under 7 (Rosie & Jim TV character campaign)
- children aged 7-11 (WOW education campaign)
- children aged 11-16 (Still Waters video)
- general public (Waterways Code)
- organisations (Managing Visitor Safety in the Countryside and Managing Inland Waterways Safety Risks documents)

We will continue to develop and improve these campaigns in partnership with the leisure industry and specialist safety advisory bodies.

### Asset Management

We aim to maintain and operate our assets efficiently and effectively so that our waterways and the structures surrounding them are safe and well maintained. In recent years, by combining new commercial income with government grant, we have been able to make

Omnibus contractor, Louis Halpin, working on safety-related maintenance at Bridge 28, Stratford-upon-Avon Canal



substantial inroads to eliminate the £300 million arrears of maintenance, which came about following years of underfunding, and had left the waterways with serious structural engineering problems in the 1990s. In April 2004 we completely eliminated the safety-related part of this backlog of maintenance, which in 1997 was valued at £93.8 million, eight months earlier than our published promise.

We will now concentrate on completing our remaining backlog of statutory arrears of maintenance, currently valued at almost £160 million.

To help with this process we have:

- divided our outstanding statutory arrears into high and low risk categories by looking at what the consequence would be if the assets failed
- prioritised our high consequence of failure assets and revised our expenditure plans accordingly

- revised our expenditure phasing, so that we spend more in the first four years of this Plan

The graph, below left, shows that, provided future grant and our own earnings develop as we have planned, and so long as our new partnership ventures in water and property also proceed as planned, we will eliminate the backlog of statutory arrears by the end of 2012.

We believe that our ability to meet our targets for the elimination of arrears by 2012 depends on receiving planned grant funding from Defra and the Scottish Executive. At the time of publishing we do not have commitments on grants from either body at the necessary levels, and there has been a reduction in Defra grant of £2.5 million (£3.7 million if Defra's previous cut in index linking is taken into account) from our plan for 2004/05. This has undermined our confidence in achieving this Plan. If the cut, together with inflation indexing, is not restored next year our agreed planned approach to

investment in customer service and the elimination of our statutory arrears will be at risk. We urge Defra to restore the cut and to confirm that it will meet the necessary grant commitments for 2005/06, 2006/07 and beyond. The Scottish Executive provided over £4 million additional grant in 2003/04 for arrears and customer improvements. Although as yet unable to commit to higher levels of funding for the future, we know the Executive understands the importance of confirmed additional funding to achieve the aspirations of this plan.

### Preventative Maintenance

The backlog of maintenance arrears came about because waterways were underfunded for many decades. Now that we have clear plans in place to put the situation right, we are also using our detailed knowledge of our assets to create a management plan that will ensure that we invest correctly in the future to prevent new backlogs of maintenance arising.

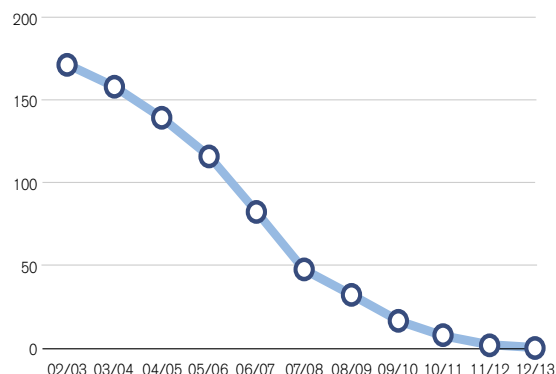
### Waterway Standards

Our existing waterway standards were first introduced in 1993. Whilst they include specific elements for the towpath and environs, they are predominantly navigation-focused. Surveys of all types of waterway visitor reveal a much wider set of needs, and we have made good progress in drafting new standards which specifically address the requirements of boaters, walkers and casual towpath users, anglers, cyclists and day visitors.

In 2004/05 we will:

- complete the details of the proposals for waterway standards and consult with our users
- set out the costs and timescale for the investment required to reach the new standards
- ensure that targets for each waterway length will relate to local market conditions and potential for each activity group

**Backlog of Statutory Arrears £m**



Waterway operative, Mike Wheeler, on the Regent's Canal, London

## PLANNED AND COMPLETED WATERWAY IMPROVEMENTS

In future years we will publish a comprehensive report on customer satisfaction levels rather than list the physical improvements to the network. We believe these results, coming from independent market research, combined with statements on progress towards achieving our new Waterway Standards (page 15), will be a more meaningful record of our performance in maintaining the network.

| Business Objective                                                  | 2003/04 | Plan 2004/05 |
|---------------------------------------------------------------------|---------|--------------|
| Canals restored to navigation (miles)                               | 4       | 0            |
| Canals dredged (miles)                                              | 59      | 26           |
| Rivers dredged (tonnes)                                             | 194,720 | 65,350       |
| Contamination removed from canals (tonnes)                          | 50,237  | 62,220       |
| Towpaths improved (miles)                                           | 57      | 74           |
| Total length of vegetation cut from towpaths (miles)                | 4,674   | 4,666        |
| Lock gates replaced (number)                                        | 188     | 146          |
| Lock structures repaired (number)                                   | 130     | 72           |
| Lock surroundings repaired (number)                                 | 113     | 59           |
| Lock paddles replaced (number)                                      | 311     | 251          |
| Flood paddles replaced (number)                                     | 35      | 28           |
| Culverts inspected (number)                                         | 372     | 289          |
| Culverts repaired (number)                                          | 36      | 34           |
| Tunnels repaired (number)                                           | 0       | 1            |
| Hedges laid/cut (miles)                                             | 707     | 677          |
| Bridges repaired (number)                                           | 81      | 49           |
| Feeders improved (miles)                                            | 13      | 13           |
| Reservoirs repaired (number)                                        | 14      | 9            |
| New visitor moorings locations (number)                             | 70      | 34           |
| Visitor moorings (number of individual moorings created)            | 333     | 272          |
| Service blocks built (number)                                       | 23      | 7            |
| Service blocks improved (number)                                    | 23      | 18           |
| Additional waterpoints (number)                                     | 97      | 56           |
| Listed/scheduled buildings improved (number)                        | 30      | 10           |
| Partnership schemes that bring value to the waterways (£'000 value) | 13,799  | 12,806       |
| Vegetation clearance (£'000)                                        | 1,747   | 1,592        |

## DEVELOPING OUR PEOPLE AND PROCESSES

### A People Business

British Waterways is, and will continue to be, a people business. Our people bring our strategies to life, they deliver our key objectives and they differentiate us from other companies.

In March 2004 we made a number of changes to enable us to increase our drive to be more efficient and flexible, and to achieve best value for the waterways, at a time when Defra grant and restoration income is reducing. The changes will reduce fixed costs, primarily through job losses, and release funds to protect spending on arrears of maintenance to ensure our waterways remain safe, improve customer services and invest in initiatives to support the waterways' long-term future.

Our income in 2004/05 will reduce by £22 million to £170 million, most of which was known about and planned for. We had already begun to reduce our overheads as a result of

this fall in income but have had to accelerate the process following Defra's unexpected cut in grant of £2.5 million (£3.7 million if Defra's previous cut in index linking is taken into account), announced late in 2003.

As a consequence, payroll costs will be reduced through natural wastage, not filling all vacancies and approximately 140 redundancies. A key priority in managing the reductions will be to retain the skills needed to manage the waterways safely and to serve customers properly.

We have a People Strategy that guides us to develop the quality people needed to achieve the aims in this Plan. We will continue to maintain and develop this strategy.

We will:

- provide competitive pay and benefits to recruit, retain and motivate quality individuals and teams. We plan to ensure that rewards and benefits remain competitive. The skills of our people are increasingly recognised and sought after and we will continue to encourage our people to develop, and will reward them in relation to the contribution they make to the development of the business
- develop a culture of continuous improvement through performance and development review processes
- use training and development to maximise contribution by encouraging an empowered workforce committed to improving safe working practices, customer service and efficiency, and to increase the employability of our people. We will retain a rate of four training days per year for each person
- identify and develop talent within the business to ensure that quality individuals are prepared for progression to enable the delivery of this Plan. We will also continue the policy that wherever a suitable internal candidate exists, they will be preferred in competition for vacancies
- commit to equal opportunities and improving the balance of our workforce to reflect the diversity of the communities we serve
- improve two-way internal communications by having regular team talks that will give our people the opportunity to ask questions and have views heard, get the information they need to do their jobs well and have the opportunity to contribute to decision making
- provide specialist waterway-related skills development
- work in partnership with the Transport & General Workers Union and UNISON to build on the work done to introduce proactive occupational health
- undertake regular employee surveys to understand the views and opinions of our people and measure levels of improvement

Marketing Services Executive, Gill Owen, dealing with a customer's enquiry at the Schroder's London International Boat Show 2004



## DEVELOPING OUR PEOPLE AND PROCESSES

### Feedback from Our People

Past surveys have shown that we are in the upper quartile of companies for having a well-motivated and very satisfied workforce. We carry out surveys on a bi-annual basis and will conduct our next one in autumn 2004, benchmarking our satisfaction results against industry standards. The industry upper quartile of employee satisfaction is 84%. In 2002 we beat this with 87% of people satisfied. Our aim is to reach 90%. Our very satisfied rates have been well above industry standard with 31% being very satisfied (industry standard 18%) and we would like to see this increase to 40%.

During 2003 we implemented a major restructure of our business, and this affected a large proportion of our people. To ensure that we understood people's feelings we undertook a survey in October 2003. Results showed that 86% of employees understood the reasons for the restructure, with 67% believing it would help us achieve our vision. As expected with change of this nature most people felt it could have been handled better and 67% of people's trust in us had lessened. Motivation levels had dropped with 56% of employees being motivated compared to 94% in May 2003 (pre-restructure). We will work as hard as possible to retrieve this.

In 2003 we were successful in being one of two public sector companies to enter the Sunday Times 100 Best Companies to Work For. In 2004 we did not make listing. Our aim is to re-enter the list.

We also measure a number of other indicators including absenteeism and turnover levels. We aim to reach the level of absence of seven days per employee by 2004/05, to be in line with the revised best industry level. We also aim to keep our employee turnover under 16%, which is the industry average.

We aim to:

- carry out employee surveys on a bi-annual basis, the next being in autumn 2004
- increase employee satisfaction levels to 90%
- reduce absenteeism levels to seven days per employee on average
- keep employee turnover under 16%
- improve trust and motivation levels

Acting team leader, Mick Wong with a boater at Hatton Locks, Grand Union Canal



### Business Processes and Systems

We have invested heavily in new business processes and IT systems to support growth and to maximise the efficiency and effectiveness of our people.

We will continue to work hard to improve our efficiency and effectiveness, initially focusing on:

- making significant cash savings through improving our processes, better buying, value engineering, and selective outsourcing
- using our group buying-power and electronic procurement methods to achieve better prices for goods and services
- growing the business without increasing our fixed costs
- minimising our operating costs where possible, particularly overhead costs which we aim to reduce to less than 10% of total expenditure within the term of this plan by:

- Creating a Shared Services Centre. In February 2004 we established our Shared Services Centre, which replaced much of the finance and administration work previously held at local offices. In the future, and where appropriate, we will transfer other processing functions into shared services to create even more efficiency.

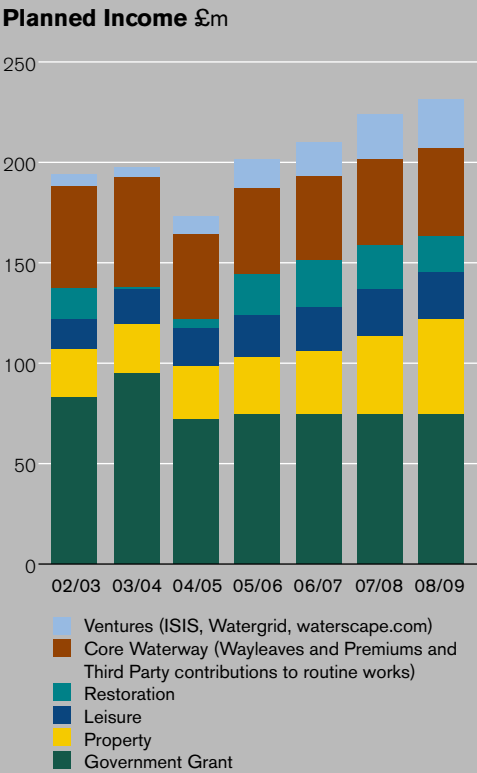
- Implementing consistent working practices. We aim to make job roles and working practices more consistent across our waterway units. We will use the SAP software, introduced in 2003, to help us improve our business processes and carry out our work in the most efficient way.

Credit controller, Chris Boland and finance assistant Abdul Ali, Shared Services Centre, Leeds



# DEVELOPING OUR BUSINESS

In the next five years, we believe we can grow our business to earn the additional income needed to care for the waterways adequately.



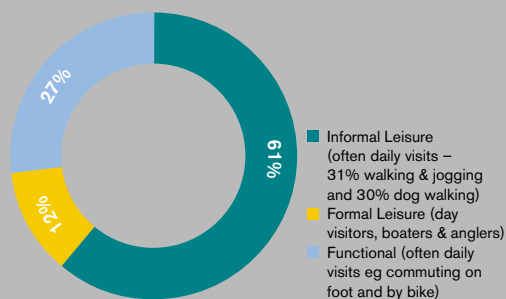
Upper River Lee



## LEISURE

The 200-year-old network has numerous sites of historic, scientific and social interest. We have begun to exploit the high latent value of these sites as visitor destinations, where people will come to enjoy the experience and spend money.

**Waterway visits 2003/04**



### Navigation

Navigation is at the heart of what we do. Canals were designed and built for boats and their presence makes our inland waterways come alive. They are a very important part of the reason that so many millions of people visit the waterways every year. The last ten years have seen a total of some 3,500 additional pleasure boats using our waterways regularly, and social and demographic trends point to a continuing strong market.

Our immediate priorities are to resolve inefficiencies and inconsistencies in this market, and to test some new ideas for attracting new boating custom. In 2005 and beyond we will run a series of marketing campaigns targeting individual market segments, to be determined by market analysis and testing.

We will:

- exploit the full potential of our new organisational structure and computer system to improve customer service and generate good management data for boat licence sales, and protect boat licence revenue through improved enforcement measures
- complete and launch new guidelines to help our local managers bring forward viable opportunities for investors in moorings, which will involve building stronger relationships with planning authorities. This should help to eradicate the shortage of quality long-term mooring sites that continues to constrain market growth in some parts of the country
- simplify and clarify the basis for our charges to business customers, which currently span navigation licences, property-based estates

agreements and ad-hoc trading agreements. Our aim is to ensure that our charges incorporate positive incentives and encourage new entrants to the market

- exploit the potential of waterscape.com to provide the detailed local information that boat users require to make the most of their time on our waterways. We will develop greater consistency in the style, content and availability of local publications covering our facilities and opening times. We will differentiate more clearly between our customer information and promotional literature
- implement a loyalty scheme for our retired boaters on fixed incomes to help retain their business and reward them for their support. We will examine a number of schemes, including a 'club' membership scheme, in order to do this

Gloucester & Sharpness Canal



## LEISURE

### Licence and Mooring Prices

We asked the independent economic consultants, OXERA, to review our licence index process in 2003. Using information in their report we now have a cost-based index endorsed by user groups. We will use this index to determine licence prices in the future. As a result our licence fees rose by 2.5 per cent in April 2004.

In 2004/05 we will devise new strategies to tackle licence evasion. Of particular importance will be our new *Mooring Guidance for Continuous Cruisers* that will define more clearly what is and is not continuous cruising. We expect to be able to use our new SAP computer technology and improved mobile IT equipment to address the problem.

We set market-led prices for our moorings which ensures transparency of prices, reflected in open market rates. We publish all our moorings prices on [waterscape.com](http://waterscape.com) and encourage private sector operators to do the same.

### Hire, Hotel and Trip Boats

We will continue to work jointly with partners eg Visit Britain, and with [waterscape.com](http://waterscape.com) to win new business for the UK waterway holiday industry, particularly from overseas. This has superseded our promotion of Waterway Holidays UK, which no longer exists.

### Visitor Attractions and Destinations

We need to enhance the visitor experience at our most visited sites by providing better facilities and improved information. We have identified 25 priority sites with the greatest potential to enhance the visitor experience, including those that have the potential to generate new income streams.

In determining where and how much we invest in visitor sites our decisions will be based upon:

- the extent to which the overall waterway visitor experience will be enhanced
- the net returns on individual sites compared to other investment opportunities
- opportunities for third party funds for the investment in and restoration of sites of

particular interest

- achieving the wider social, economic and educational objectives

Each of the priority sites has a feature, or features, that attracts visitors. We will provide interpretation and customer facilities that are in proportion to the number of visitors on site. These facilities and services will either be managed and delivered by us, in partnership, or by a third party.

We are currently developing the content, look and feel for our priority sites, which will enable us to offer a consistent, cost-effective and differentiated product across each of our destinations and we will use this template when looking at future site developments.

Regent's Canal, London



### **waterscape.com - Promoting Inland Waterways**

In June 2003 we launched our consumer website, waterscape.com, which offers a comprehensive range of waterway-related information, goods and services. It is fast becoming the vehicle for all our consumer communications.

The main purpose of waterscape.com is to drive and guide people to use all inland waterways. At the same time it also generates income through advertising sales and e-commerce. The site currently has 50,000 products for sale including boating holidays, cottages and hotels. We plan to increase this product range in the future by developing an online shop and chandlery.

For the nine months of 2003/04 that waterscape.com was online over 400,000 people visited the site. We aim to increase this to over 850,000 visitors in 2004/05.

### **Waterside Pub Partnership**

In 2004/05 we plan to form a partnership with the private sector to develop a network of high quality waterside pubs. We have identified 60 sites from our waterside property portfolio that will be initially offered into the partnership and are in the process of seeking a partner. The Waterside Pub Partnership is expected to invest about £50 million over the first few years to create distinctive high quality pubs. We expect the partnership to rapidly expand into other sites over the plan period.

### **Marinas**

We have separated out our various marina businesses into a separate business that (subject to ministerial consent) will be transferred to a wholly owned subsidiary, British Waterways Marinas Ltd (BWM Ltd). This transfer will ensure that our marina businesses cannot be judged to enjoy any unfair competitive advantage. We will lease properties to BWM Ltd on our standard commercial terms with service level agreements where necessary. We will run BWM Ltd as a separate and more focused business, which acts at arms-length from ourselves, British Waterways.

### **Angling**

Angling is an important pastime for many people and we will continue to promote and support online angling, particularly where we

can see increased public and environmental benefits, and where there is external funding. We will build constructive partnerships with angling clubs and groups to achieve this. We will continue to invest in managed fisheries as they generally offer a better commercial case than online angling.

We will:

- develop and market our priority visitor destination sites
- use waterscape.com to promote our leisure destinations and activities
- plan to create a waterside pub partnership
- grow our marina business as an arms-length subsidiary
- support angling

waterscape.com terminals at the Schroder's London International Boat Show 2004



# PROPERTY

We own an investment property portfolio valued at £272 million and we have drawn income from our investment property for many years.

We also own a development estate valued at £147 million where we aim to deliver vibrant, mixed-use schemes of architectural quality that will each become exemplars of waterside regeneration.

In addition to this we own operational property with a value of £43 million.

Good use of our property assets is important to our business because:

- property generally provides a secure long-term income source
- there is a close relationship between waterside property and the waterspace and our ability to manage it successfully
- property is an important catalyst for many of our wider social responsibilities including regeneration and social inclusion

Some of our estate has opportunities for redevelopment if it is to maximise its social and economic benefit. We will develop these sites by either:

- Corporate Level Partnerships – placing sites into our national development vehicle, ISIS
- Single-Purpose Joint Venture Partnerships – developing large sites with a partner eg Edinburgh Quay and City Road Basin, London
- Land Trading – selling undeveloped waterside land with planning permission eg Limehouse Basin, London and some small sites ourselves eg Market Harborough

## Development Partnerships

Our public private partnership, ISIS, shares our aims to develop waterside sites to deliver a balance of economic, social and environment & heritage benefits. The current business plan was based on progressing ten initial sites, however, a further site, Leeds Basin, was added in 2003 and we fully anticipate transferring more of our property into ISIS in the future. We expect the partnership to be a significant source of dividend by 2007. Although ISIS is our main development vehicle there are some sites that we shall want to develop with other private and public partners.

## Our Property Strategy

We will continue to acquire sites and properties where we see real potential. By participating in acquisition and development, we are substantially increasing our returns and increasing value from public assets. During the

period covered by this Plan we aim to grow the income we earn from property and the value of our property portfolio. The graph, below right, shows our outline plan. Our strategy is to actively manage our property portfolio to achieve the best returns whilst also releasing funds for investment in leisure and other new business opportunities.

## Operational Property

We have identified a number of offices and work yards which are not being fully used. In 2004 we will rationalise our use of these premises and either sell or let those we no longer need.

## Wood Wharf

Wood Wharf is a 20-acre site in the north east corner of the Isle of Dogs, just east of Canary Wharf, London. It is our single most valuable property development asset. We have produced a masterplan, with the London Borough of Tower Hamlets, for developing the site in partnership. The development opportunity was marketed to potential partners in February 2004 through the Official Journal of the European Union, with PR and advertising support. We anticipate that the partnership will be awarded in December 2004.

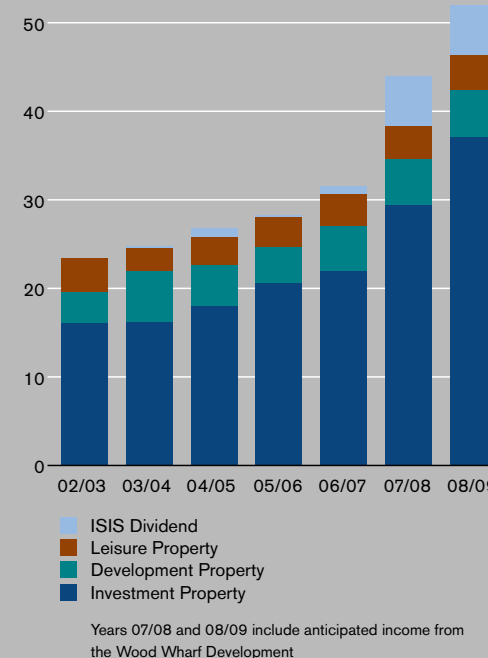
## Regeneration

We will develop partnerships with other public sector organisations such as local authorities and regional development agencies to redevelop run down areas and brownfield sites. This form of partnership already exists at Nottingham and we are currently in discussions to replicate it in Birmingham, Leicester, Falkirk, Glasgow and Teeside.

## Our Wider Remit

Generally we will seek to maximise commercial return from our property. However, when developing property, we will also ensure that we create improved social, environment and heritage benefits such as enhancing the surrounding waterside area, increasing accessibility and making sure there is provision for social housing. On occasions this may mean that we, British Waterways, may not maximise our economic return from our property. This is an important part of our wider remit from government.

## Investment Property Income £m



## WATER

The canal companies always sold water as part of their business. We currently earn just under £4 million per annum from the sale of water.

### **Our Water Public Private Partnership - Watergrid Limited**

In November 2002 we set up a public private partnership to move water supplies and sell treated water. Watergrid Limited is a partnership with Anglian Water Limited, Bristol Water Holdings and Partnerships UK.

The Water Act 2003 did not introduce common carriage (use of water companies' pipe network by anyone prepared to pay a fee) as we had hoped. This has meant that in future Watergrid will concentrate on water sales customers who are located near our waterways, where it is economical to buy new supply pipes. Watergrid is also developing waste water capabilities to offer customers a more cost effective solution than connection to main sewers.

The priority for the first two years is to establish a customer base upon which to grow the business

Investment by Watergrid will exceed £100 million over the next ten years including the re-investment in the business of all profits made in the first five years. This joint venture has driven significant investment in remote telemetry systems, maintained channel capacity and backpumping systems all of which will also benefit other waterway users.

Watergrid puts itself at an advantage in this sector of the commercial water market by:

- delivering water solutions to large users more economically than the current piped supplies
- supplying industrial, commercial and property development customers with sustainable water solutions including bespoke water treatment, waste water treatment and recycling services
- helping customers meet their environmental obligations through effective recycling of used water and treatment of waste water
- managing existing water resources more effectively, thus making a positive contribution to the environment
- benefiting leisure and recreational visitors through improved water sources, water management and infrastructure improvements

Gloucester & Sharpness Canal



## WAYLEAVES AND PREMIUMS

We earn income from agreements to use our land for works in, over, under or along the waterway corridor. Examples of such income include bridges, gateways, access points, underground pipes or cables and licences for surface water discharges into the waterways.

### Telecoms

Telecoms income comes from a variety of Telecoms providers. We have an Omnibus Agreement with BT and specific agreements with many other telecoms providers. The most substantial single business agreement is with Easynet. In return for access to lay over 400 miles of fibre-optic cabling under our towpaths, Easynet pay us an annual wayleave and we are also shareholders in the company.

Over the past few years we have identified hundreds of sites for mobile phone masts, which, if developed, will bring in substantial income. We will continue to market our sites with a partner to all the mobile phone operators. The market has been depressed for the last two years, but we are now seeing signs of an upturn in interest in our portfolio.

### Surface Water Discharges

Income growth in this area has been inhibited by the reluctance of some utility companies to pay us for the facilities we provide. In 2001 we won a High Court ruling which set a precedent that

companies discharging surface water into our waterways can be charged to do this. We have reached an agreement with some companies and are in the process of agreeing rates with all remaining companies who discharge into our waterways including backdated income owed for past use of our facilities.

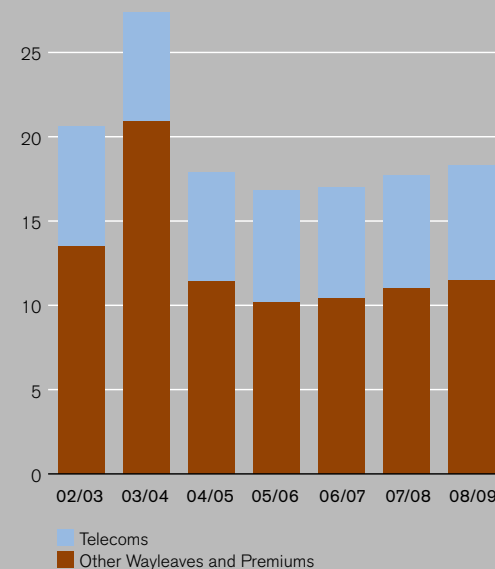
### Electricity Cables and Gas Pipelines

We have electricity cables and gas pipelines running across our land and beneath our towpaths, providing an essential facility for the supply of power in the UK. We have omnibus agreements with all the main power providers. These are long-term contracts that provide us with a substantial annual income.

We will:

- charge companies who discharge excess water into our waterways
- continue our long-term hosting agreements with gas, electricity and telecoms companies
- market our mobile phone mast sites

Wayleaves and Premiums £m



Year 03/04 includes backdated income from electricity and gas companies

A gas pipe over the Grand Union Canal at Apsley



## FREIGHT

In 2000 we committed ourselves to doubling the freight carried on our waterways by 2010 and this continues to be our long-term target.

Our freight and sustainable development objectives are linked as they both aim to promote sustainable transport through the removal of freight from the roads and contribute towards reducing environmental pollution (through reduced vehicle emissions) and congestion on our roads.

In July 2003 we launched our freight marketing strategy which focuses on developing waterborne transport particularly for bulk materials that are not time sensitive, for containers, and where possible on our network for abnormal indivisible loads.

We are working with the Maritime and Coastguard Agency to establish national technical standards for commercial vessels and crew competencies so that they are in line with European Directives. This will provide increased credibility for inland waterway and sea-river fleets to successfully compete for cargo.

We have introduced a simplified toll structure and revised our freight carriage conditions to provide greater clarity and certainty to freight operators. This should help to confirm our commitment and support to freight operators.

We will:

- seek to protect viable wharves on our network and re-instate those in our ownership where there is a proven demand, taking advantage of any available freight facility grants
- aim to provide inter-modal facilities at inland ports and wharves, working with potential freight carriers and other partners to ensure that waterborne freight becomes more accessible
- investigate the potential for transporting freight ourselves, possibly via joint ventures with existing operators or customers
- focus on the following sectors, which have the greatest potential for increasing freight activity:

**Minerals** – we have mapped the commercial mineral deposits adjacent to our network and will continue to work with aggregate suppliers to use water transport wherever practical

**Waste and Recycling** – the transportation of waste and recyclables by water has considerable potential, but for this to happen it will require a fundamental reorganisation of domestic and industrial waste collection, waste stream separation and the development of new sustainable recycling/disposal schemes. We are assisting with national studies, which we hope will result in significant industry investments in this sector. We will continue to work with local and regional authorities and planners to demonstrate the benefits of transporting waste by water. This will assist in fulfilling government policy and demonstrate our commitment in suggesting sustainable solutions. In some cases the wider benefits may justify us investing more in the provision of facilities adjacent to waterways

**Containers** – we are surveying our commercial waterways to establish what needs to be done to make them more suitable for modern vessels and container sizes

Robert Wynn & Sons' barge, Inland Navigator, carrying a 280-tonne load on its maiden voyage along the River Trent. © Robert Wynn & Sons Ltd.



## RESTORATION

Over the past decade we achieved a huge increase in waterway restoration made possible by our exceptional success in securing large funds from lottery bids and the fact that we worked with so many dedicated partners.

The future outlook for restoration schemes is still positive with a number at the final stages of securing the necessary funding commitment. However, we foresee increasing competitiveness for lottery and grant funding and this will inevitably be reflected in our future restoration programme.

### **Vision of the Network**

We feel that the restoration of a number of waterways and the creation of some new links could create an even more valuable waterway network for the 21st century, and deliver substantial benefits to local communities. We have prepared a document, *Waterways 2025*, which outlines our thoughts about the future shape of the waterway network and our plans for assisting restoration projects.

When deciding whether to restore and regenerate waterways we take into account the following factors:

- the economic benefits they create for local communities eg employment, increased tourism and urban and rural regeneration
- the recreation and amenity benefits they offer to local people
- local support and likely levels of future use
- the improvement to the navigable network
- their impact on the environment
- their historic and heritage value
- that adequate funding is in place to cover all project costs and long-term maintenance

### **Waterways 2025**

Through our assessment process, we have identified 18 schemes that might be completed within a 20-year horizon by others or by ourselves in partnership. We have prioritised these schemes and for each of the projects we support, we will set out targets and regularly review progress against key objectives.

We recognise that circumstances change. Some Priority One projects may fail to achieve key objectives over time and some projects from Priority Two or from elsewhere may become more feasible. The Priority One projects are listed far right. Detailed assessments and a map showing all the identified schemes are contained in *Waterways 2025*, which is available on our website [britishwaterways.co.uk/waterways2025](http://britishwaterways.co.uk/waterways2025)

Cotswold Canals, by St Cyrs Church, one of our Priority One projects



We will:

- continue to seek funding for our priority projects principally through partnership with organisations such as the Lottery, European funding agencies and Regional Development Agencies
- concentrate on the Priority One projects listed in *Waterways 2025* and regularly review these projects and targets. We recognise that circumstances change and some projects may fail to achieve key objectives over time, while others may become more feasible
- offer informal advice and ideas, where possible, to restoration projects where we are not the lead partner

We particularly value the input of volunteers and the role they have played in the last 50 years to revive the waterways. Our restoration and regeneration work boosts local economies and improves the quality of life in adjacent communities. A significant proportion of our turnover is spent on labour intensive contract work with construction companies, providing local employment opportunities in addition to the service jobs created on or beside the waterway.

#### Continuing Improvements to Restoration Projects

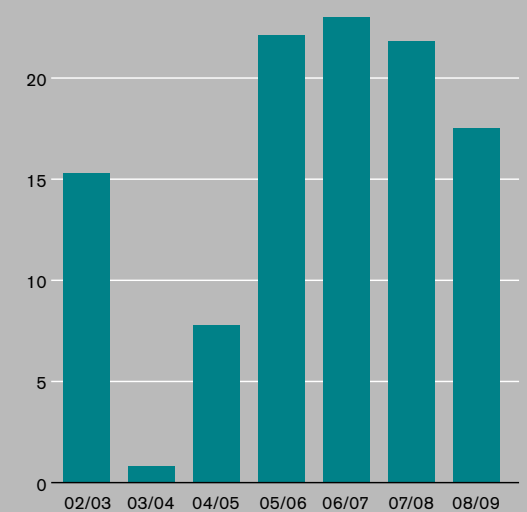
In 2002 we completed the physical build of our eight Tranche One restoration and new build projects. Over the next few years we will continue to invest, to ensure these waterways fully meet user specifications and needs.

#### Priority One Projects

- Ashby Canal (to Measham)
- Bedford & Milton Keynes Waterway\*
- Bow Back Rivers
- Cotswold Canals (Phase One)
- Droitwich Canals
- Fens Waterways Link
- Liverpool Link
- Manchester, Bolton & Bury Canal
- Montgomery Canal
- Northern Reaches, Lancaster Canal
- River Carron Navigation

\*Currently, it is proving difficult to achieve the necessary levels of funding needed for the construction of the Bedford & Milton Keynes Waterway. We are committed to supporting it, and it will remain a Priority One project. We will endeavour to ensure the line of the canal is safeguarded by planners in the hope that funding can be generated.

#### Planned Restoration Income £m



Restoration income comprises waterway restoration and waterway new build projects only. Third party contributions to routine works, which have previously been included in these figures, are now incorporated into core waterway income (shown on page 20).

Duckweed covers Bow Back Rivers, London, one of our Priority One Projects



## BOARD MEMBERS



### **Dr George Greener, Chairman**

George is also Chairman of The Big Food Group plc, Director of Reckitt Benckiser plc, Director of JP Morgan Fleming American Investment Trust plc, and holder of various other directorships. He is the former Chairman of

Allied Dunbar Assurance plc, Eagle Star Holdings plc, Threadneedle Asset Management plc and Swallow Group. He is a former director of BAT Industries plc and former Group Chief Executive Officer of Hilldown Holdings plc. Age 58.



### **Sir Peter Soulsby, Vice Chairman**

Peter is currently Head of Regions for the British Lung Foundation. He is the former leader of Leicester City Council. He was knighted in 1999 for services to the City of Leicester and local government. Until April 1998, Peter was chair of Leicester's City Challenge project. He is a former member of the Audit Commission and of the Government's Beacon Council Advisory Panel. He also Chairs the Remuneration Committee. As a keen user of the inland waterways system, Peter has cruised the network extensively on his own narrowboat. Age 55.



### **Susan Achmatowicz**

Susan is a leisure business entrepreneur, who has developed her own award-winning cycle tourism business. She has a background in the City of London. She also acts as adviser, consultant and lecturer on leisure, cycling and sustainable tourism issues. Her work in the areas of rail-cycle integration, e-commerce and sustainable tourism has been hailed as UK best practice. Formerly a Vice President of the Bankers Trust Company, she holds an MBA in Marketing and Finance from the University of Alberta. She also Chairs the Pensions Committee. Age 49.



### **Dr Campbell Christie CBE**

Campbell is the former General Secretary of the Scottish TUC, a board member of Scottish Enterprise and Vice Chairman of Forth Valley NHS Board. He is also a director of South West Trains Ltd. and President of the Scottish Civic Forum. He is the Chair of the BW Scotland Group and represents Scottish interests on the Board. Age 66.



### **Ian Darling**

Ian is a chartered surveyor and former Director of Chesterton (Scotland) Property Consultants. He is a member of the Lands Tribunal for Scotland and a member of the Court of Edinburgh University. He also serves on the Council and Scottish Committee of the RSPB and is a past Chairman of the Royal Institution of Chartered Surveyors in Scotland. He is a regular user of Scotland's canals and represents Scottish interests on the board. Age 59.



### **Professor George Fleming**

George retires as Professor of Civil Engineering at the University of Strathclyde in 2004. He is Managing Director of EnviroCentre (an environmental consultancy based at the University). He is a past President of the Institution of Civil Engineers. He is also Non-Executive Director of WRAP (Waste and Resource Action Programme). Age 59.



### **Helen Gordon**

Helen is Property Director of Legal and General Life Fund. Prior to that she was Property Director at Railtrack. She is an expert in enhancing 'Brownfield' sites and development of under-utilised resources. She was Managing Director of John Laing Property Ventures Ltd and has also advised on many major regeneration projects. Age 45.



### **Dr Derek Langslow CBE**

Derek is a member of the Agriculture and Environmental Biotechnology Commission, Chairman of the Rail Passenger Committee for Eastern England, a trustee of the Heritage Lottery Fund, a non-executive director of Harwich Haven Authority and is an external consultant to Defra on Quinquennial Review. He is the former Chief Executive of English Nature, having set up the organisation following its demerger from the Nature Conservancy Council. He also Chairs the Audit Committee. Age 59.



### **Janet Lewis-Jones**

Janet is a member of the Strategic Rail Authority, a Commissioner for the Postal Services Commission, Vice President of the British Board of Film Classification, and a trustee of the Institute of Rural Health and the Baring Foundation. She speaks Welsh and represents Welsh interests on the Board. Age 54.



### **Adeeba Malik MBE**

Adeeba is Deputy Chief Executive of QED UK (Quest for Economic Development), a national economic development charity. She is involved in local, regional and national committees and boards covering enterprise, health, learning and education and community development. She is a board member of Yorkshire Forward, a non-executive director of NCAA (National Clinical Assessment Authority, Department of Health) and a member of the National Ethnic Business Advisory Forum, DTI. She is also a director of Northern Ballet. Age 37.



### **Terry Tricker**

Terry is currently Chairman of an Independent Review into a NHS mental health unit in Birmingham. He is a former Chairman of Burton Hospitals NHS Acute Trust, Director of Operations and board member of Severn Trent Water Ltd, and a non-executive director of the Employment Needs Training Agency. He is a mentor with 'Jigsaw', a young people's mentoring organisation, part of the National Mentoring network, and has worked with disadvantaged children in the UK and Romania. He is a Chartered Chemist and had a long career trying to improve our aqueous environment. He has recently established his own leisure company, Derby Caravan Centre Ltd. Age 60.



**Jim Stirling, OBE, BSc, MBA, CEng, FICE, MStructE  
Director, Scotland**

Jim joined British Waterways as Manager, Scotland in 1992 and became Director, Scotland in 1997. Jim spent many years in civil engineering and construction, both in the UK and abroad. Age 51.



**Mark Bensted IEng, AMStructE  
Director, London**

Mark has been responsible for the operational, property, leisure and regeneration activities of British Waterways London since 1990. Prior to joining British Waterways in 1980 Mark worked in the construction industry for Taylor Woodrow and Kyle Stewart. Age 46.



**Derek Cochrane BSc, MEng, CEng, FICE  
Managing Director, Northern Waterways**

Derek has worked for British Waterways for 25 years commencing in Scotland. Prior to that he worked for a water authority and in private sector consultancy. Age 53.



**John Lancaster FCA  
Managing Director, Southern Waterways**

John joined British Waterways in 1996 following a career in the accountancy profession, followed by 20 years in general management positions within the dairy industry. Age 57.



**James Froomberg MA  
Commercial Director**

From 1983 to 1999 James was at KPMG where, as a partner, he headed the firm's management consultancy to the leisure industry. He was then appointed to Wembley plc as Director of Corporate Development, before joining British Waterways in March 2003. He is also a director of Business in Sport and Leisure. Age 48.



**Nigel Johnson BSc, Solicitor  
Legal Director**

A corporate lawyer for most of his career, Nigel was Chief Solicitor to Cheltenham & Gloucester plc from 1987 to 1997. He was then Official Solicitor to the Church Commissioners, before joining British Waterways as Legal Director and Secretary to the Board in April 2001. Age 49.



**Vincent Moran BA, FCIPD  
Personnel Director**

Vince joined British Waterways in 1997 following personnel and general management careers in the public and private sectors. Age 48.



**Simon Salem MA.Oxon, MBA  
Marketing & Communications Director**

Simon has 20 years' experience of marketing, PR, corporate affairs and fundraising. Before joining British Waterways he worked for London Transport. He has worked extensively in the leisure and tourism industry. Age 46.



**Stewart Sim OBE, CEng, FICE, MCIWEM  
Technical Director**

Stewart was Operations Director until May 2003 when he became Technical Director. A civil engineer by profession, Stewart has worked for British Waterways for 30 years in most areas of the country and has been involved in most parts of the business. Age 58.



**Mark Smith FCCA  
Financial Director**

A fellow of the Chartered Association of Certified Accountants, Mark has spent much of his professional career in retailing, and held senior finance and business development positions in Marks and Spencer plc before joining British Waterways in March 2001. Age 45.



**Robin Evans  
BSc, FRICS  
Chief Executive**

Robin joined British Waterways in 1999 as Commercial Director and became Chief Executive in December 2002. Prior to that he spent four years as Palaces' Director for Historic Royal Palaces and was Chief Executive of The Landmark Trust for eight years. Age 50.

## ADDRESSES AND CONTACTS

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### **Customer Service Centre:**

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### **Other useful contacts**

#### **The Waterways Trust:**

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#### **The Waterways Ombudsman:**

PO Box 406, Haywards Heath,  
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### **Inland Waterways Amenity**

#### **Advisory Council:**

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London N1 8JX  
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### **Association of Inland Navigation**

#### **Authorities:**

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Barry Whitelock, lock keeper at Bingley Five Rise, Leeds & Liverpool Canal

